

FISCAL NOTE

SB 1112 - HB 1343

April 4, 2007

SUMMARY OF BILL: Establishes the "Pharmacy Benefits Management Act of 2007" which creates requirements that pharmacy benefits managers (PBMs) and contracts with PBMs must comply.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

Increase State Revenues – Not Significant

Other Fiscal Impact – Could result in a fiscal impact to the Bureau of TennCare if the provisions of the bill resulted in changes to the negotiating power of PBMs. Such would have an effect on the pharmaceutical expenditures of the Bureau of TennCare which is not determinable.

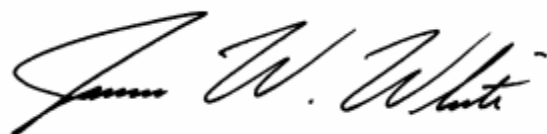
A more precise cost estimate is not possible because the Bureau of TennCare has not provided any information to assist in the preparation of this fiscal note.

Assumptions:

- The Department of Commerce and Insurance will be responsible for the implementation and enforcement of the provisions of the bill which may include promulgation of rules and the imposing of penalties in instances of violations.
- Any increase in expenditures or revenues that occur as a result of this bill will not be significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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